

Clarification of Joint Venture of Highline Technical Innovations and Alternative Hydrogen Solutions Group Sales and Marketing

HTI and AHSG participated together to form a joint venture which created an umbrella company called Alternative Hydrogen Solutions. This statement is to clarify that this joint venture is not a merger of the two companies. HTI is and shall continue to be the exclusive manufacturer of the Hy-Series new generation of products. HTI brings the technology to the joint venture and will continue to design units for the many applications found in each of the verticals stated in the press release dated June 5, 2012. AHSG, a well financed group, is the marketing arm and brings the funding for growth, R&D and operational expenses to the partnership. AHS, owned 50% by AHSG and 50% BY HTI, is the vehicle through which orders and revenue flow.

The formation of the Joint Venture allowed HTI to retire 31,952,500 shares of its Preferred Series B stock. These shares were held by founders Charles Foster and Mel Robinson. 100% of HHHI and HOSS are held by HTI removing all remaining interest, ownership, and involvement of the two founders in HTI. Mel Robinson has entered into a consulting contract directly with AHS. A provision in the Joint Venture also issues 106 million shares of RESTRICTED HTI common stock to AHSG owners. The Authorized Shares were raised to 2.7 billion to accommodate this facet of the agreement.

The Joint Venture is the culmination of 8 months of collaboration between both parties. Their combined available resources have brought strategic partners to the organization that are well entrenched in the verticals targeted by AHS. In the coming weeks, these strategic partners will be unveiled to the public.